



**Victorian
Small Business
Commission**

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To the Consumer Policy Unit

Submission | *Competition and Consumer Amendment (Gift Cards) Bill 2018*

Thank you for the opportunity to provide comments on the *Competition and Consumer Amendment (Gift Cards) Bill 2018* (the Bill). The Victorian Small Business Commission provides dispute resolution services to Victorian small businesses and we also monitor activities that could have an impact on the Victorian small business community and advocate on their behalf.

Our comments should accordingly be read with consideration to the practical work that we do with small businesses and the understanding that our approach is geared towards assisting them to avoid disputes. You will note that we are consistently in support of any measures that provide further clarity for small businesses, so they do not need to spend valuable time attempting to understand the changes, and to minimise any chance of misinterpretation.

We recommend that the proposed regulations are introduced with an education program that explains these amendments to small businesses in simple, accessible language. It is important that this information does not just include details of the changes, but also provides guidance as to how small businesses will need to adapt their bookkeeping processes to account for the outstanding liabilities.

With regard to the requests for comment highlighted within the Consultation Paper we advise that:

1. Discount coupons and vouchers

In the interests of avoiding doubt, we believe that an explicit exclusion of discount coupons and discount vouchers would be appropriate. This would help to nullify any doubts and time being wasted by small businesses looking to clarify their understanding.

2. Re-loadable prepaid cards used to purchase goods or services

On reading the consultation paper, the distinction between reloadable cards and non-reloadable cards was not immediately clear. It is suggested that greater clarity be provided here to avoid any misinterpretation by small businesses.

3. Cards and vouchers that can be exchanged for a particular good or service and sold at a genuine discount

Again, in the interests of avoiding doubt, we support a specific discount figure being written into the regulations.

4. **Cards and vouchers given in connection with a purchase of a good or service for use in the same business**

It would be appropriate for all gift cards to display an expiry date, even if exempted, to avoid any confusion for small businesses and consumers alike – particularly amidst publicity about the new changes.

5. **Cards and vouchers where no consideration has been provided in exchange for a card or voucher**

The difference between the example provided in point 30 of the Consultation Paper and the examples given in point 36 was not clear. Given the former example relates to vouchers that would be eligible for an exemption, and the latter relates to an exemption that would not be available, clarity in the distinction is required.

6. **Extent of the exemptions**

Please refer to our response in point 4.

7. **Post-purchase fees**

The description of these fees would benefit from a very simple introduction. For example: 'no additional fees can be applied to gift cards after they have been purchased'.

If you have any queries regarding our position, please contact Alice Bradshaw of this office at
_____ or on _____

Kind Regards



per **Judy O'Connell**
Victorian Small Business Commissioner